

**Diamond State Port Corporation  
MINUTES OF BOARD MEETING  
Public Session**

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**Friday, July 28, 2017 at 10:45 a.m.  
Port of Wilmington, 1 Hausel Road, Wilmington, DE 19801**

**Board of Directors**

<b>Chair:</b>	Jeffrey W. Bullock	H. Hickman Rowland, Jr., Emeritus
<b>Vice Chair:</b>	Richard J. Geisenberger	
<b>Members:</b>	Michael A. Begatto	
	Karen C. Bifferato	
	Cerron A. Cade	
	Douglas B. Catts	
	Jennifer L. Cohan	
	Robert M. Coupe	
	Gerard L. Esposito	
	Quinton S. Johnson, IV	
	Michael L. Morton	
	Daniel Scholl	
	Fred C. Sears II	
	David P. Sokola	
	Peaches M. Whalen	

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<b>Present:</b>	Jeffrey W. Bullock	Gene Bailey - Executive Director
	Richard J. Geisenberger	Parul Shukla - Director, Finance & Administration
	Michael A. Begatto	Frank Vignuli – Director, Operations
	Karen C. Bifferato	Randall Horne - Director, Engineering & Maint.
	Cerron A. Cade	John Haroldson – Director, Marketing
	Douglas B. Catts	Sylvia Floyd-Kennard – Director, Human Resources
	Robert M. Coupe	Debra Thompson – Manager, Marketing Services
	Gerard L. Esposito	
	Quinton S. Johnson, IV	
	Michael L. Morton	
	Daniel Scholl	
	Fred C. Sears II	
	H. Hickman Rowland, Jr. - Emeritus	

Jonathan Montbach, Senior Vice President, Seabury PFRA LLC; Kenneth Dryden, State NAACP Economic Development Chair; and, various other members of the Public.

The meeting was called to order at 11:03 a.m. with Jeffrey W. Bullock, Chairman of the Board, presiding.

The Board Chairman welcomed everyone to the meeting. He began by reiterating the details that he could share, resulting from the Executive Session Board meeting. The P3 RFQ process is moving along, he said. Not as quickly as had been anticipated, however, that can be viewed as a good thing, as more proposals were received than expected. There are 8 proposals that are being examined, at this time. The final proposals will be received by the middle of next month from those 8 (or as many as choose to submit them). They will be evaluated first by Seabury PFRA, who has been hired to help identify the best potential proposals, and then reviewed by the Board Evaluation Committee led by Secretary Geisenberger. It is believed that this process should conclude in early October. Hopefully, by then, there will be 3 or 4 viable proposals that can be shared and the Board will ultimately make a decision about which one to move forward with. The Board Chairman thanked the staff of the Diamond State Port Corporation for all the work that they've done to move this process along. More information will be brought forth in the coming weeks, he said.

A motion was made to approve the minutes from the meeting of Friday, May 12, 2017. On a motion duly made and seconded, the minutes from the meeting of Friday, May 12, 2017 were unanimously approved.

The Board Chairman called for presentation of the Resolutions.

#### **Consideration of Resolutions**

**Resolution #18-01 – Approval of FY 2018 Operating Budget** – Fred Sears, Chairman of the Finance and Audit subcommittee of the Board remarked that the Finance and Audit Committee of the Board had met prior to the Board meeting, at 9:00 a.m. on Tuesday July 18, 2017 to review the contents of the budgets and the financial results for the period. It was the Committee's recommendation that the budgets be approved as presented.

The Director of Finance and Administration briefed the Board on a request for approval of the FY 2018 Operating Budget. A question arose as to how the Edgemoor asset was being booked. It is being booked entirely as land. The Budget was reviewed for recommendation to the Board for approval by the Port Finance & Audit Committee at its meeting on Tuesday, July 2017 at the Port of Wilmington. **After further discussion, on a motion duly made and seconded, Resolution #18-01 was unanimously approved.**

**Resolution #18-02 – Approval of FY 2018 Operating Cash Budget** – The Director of Finance and Administration briefed the Board on a request for approval of the FY 2018 Operating Cash Budget. A question arose as to how much the Port owes to the City of Wilmington. \$3M in debt service is owed to the City. The Budget was reviewed for recommendation to the Board for approval by the Port Finance & Audit Committee at its meeting on Tuesday, July 18, 2017 at the Port of Wilmington. **After further discussion, on a motion duly made and seconded, Resolution #18-02 was unanimously approved.**

**Resolution #18-03 – Approval of FY 2018 Capital Budget** – The Director of Finance and Administration briefed the Board on a request for approval of the FY 2018 Capital Budget. The Budget was reviewed for recommendation to the Board for approval by the Port Finance & Audit Committee at its meeting on Tuesday, July 18, 2017 at the Port of Wilmington. **After further discussion, on a motion duly made and seconded, Resolution #18-03 was unanimously approved.**

**Resolution #18-04 – Approval of Contribution for Continued Operations of Delaware Bay PORTS®** – The Director of Finance and Administration briefed the Board on a request for authorization to contribute \$100,000 (1/3 of the estimated total annual Delaware Bay operating expenses) to Physical Oceanographic Real Time System (PORTS®). PORTS® measures and disseminates observations and predictions of water levels, currents, salinity, and meteorological parameters that mariners need to navigate safely. The Delaware Bay PORTS® system was built by the National Oceanic and Atmospheric Administration (NOAA) in 2004 from a \$1.5M grant from the DRPA (Delaware River Port Authority) of Pennsylvania and New Jersey. DRPA also provided the operations and maintenance funding for 2004 to 2012. It has discontinued this funding program. The Delaware Bay PORTS® has been supported by equal funding from DSPC, Philadelphia Regional Port Authority and South Jersey Port Corporation since that time. While efforts are continuing to have the Federal Department of Commerce include PORTS®' operating expenses in its budget, an alternative is to bring the Delaware River Port Authority and the Delaware River and Bay Authority into the funding process to reduce individual contributions. The Maritime Exchange for the Delaware River and Bay is spearheading these efforts. **After further discussion, on a motion duly made and seconded, Resolution #18-04 was unanimously approved.**

**Resolution #18-05 – Approval of Award of Contract for Dole Container Yard Reefer Module Installation** – The Director of Engineering briefed the Board on a request for authorization to make improvements to the Dole container yard as part of the DSPC capital commitment to Dole after they signed their last lease. The project includes installation/construction of new electrical service, 30 new reefer modules to support 91 refrigerated containers, new transformers and switchgear and support pads for chassis landing gear. The contract was publicly advertised in accordance with DSPC procurement guidelines. Three bids were received with a Delaware company - Commonwealth Construction Company, being the lowest responsive qualified bidder. This Resolution seeks approval to award a contract in the amount of \$1.6 million and, in order to allow for an approximate 10% contingency, authorize the expenditure of total funds for the project not to exceed \$1.85 million. This Resolution also authorizes the Chairman or the Executive Director to take all necessary actions. **After further discussion, on a motion duly made and seconded, Resolution #18-05 was unanimously approved.**

The Executive Director recommended that the Departmental Reports be accepted as written. He referred the Board to the *Calendar of Events* and suggested that they consider attending the “Last Bash of Summer”, hosted by the Seamen’s Center of Delaware and/or the Port’s 27<sup>th</sup> Annual Golf Classic.

With there being no further business, the Board Chairman opened the floor to the Public.

Kenneth Dryden the DE State NAACP Economic Development Chair, distributed to the Board a handout that he said had been previously sent to the Governor, the Board Chairman, and others for their consideration. That handout (a letter) is attached herewith. The NAACP is seeking execution of a Community Benefits Agreement (CBA) in order to “adequately address direct community benefits and impacts as a result of the current prepared DSPC Strategic Master Plan and RFQ.” The CBA, he said, is a tool to bring forth more equitable development and inclusiveness.

Mr. Dryden then made a statement regarding the Port’s Master Plan and the P3 RFQ. He said that the language is concerning when it refers to a “desire to work with unions.” He said that he did not attend these meetings to represent the ILA but to represent those in the community and that ILA members and others working at the Port come from the Wilmington community. His goal, he said, is to make certain that the community’s interests are protected. The ILA, he said has been an integral part of the Port nearly since its inception and it is disheartening to read a Master Plan that seems to exclude unions, African Americans and those from the Caribbean community. Because of Delaware’s history and its track record, inclusion is essential and more must be done. Mr. Dryden made the point that the process is pretty far down the road without the inclusion of those from the community. His organization has reached out to the Port’s consultants handling the P3 RFQ process and received no response. Mr. Dryden wanted it to go on the record.

With there being no further questions or comments, the Board Chairman wished everyone a great rest of the summer, and on a motion duly made and seconded, the meeting was adjourned at 11:24 a.m.

Respectfully submitted,

Debra Thompson, *MSM*